

Governor's Commission on Waste, Fraud and Abuse

Government Lean

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May 24, 2011

“Lean”

It isn't just for Manufacturing anymore...

- Business Offices – Employment Agency
- Government Agencies – DOC, County Court
- Healthcare Facilities – Nursing Home, Dental
- Education – UW System, WTCS
- Financial Institutions – Banks

Virtually any where a product or service is being
provided to a customer



Lean Definition

“A systematic approach to identifying and eliminating waste (non-value-added activities)

- through continuous improvement
- by flowing the service
- at the demand of the customer
- in pursuit of perfection”

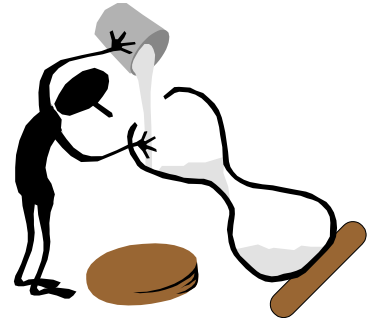
NIST-MEP Network



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Why Lean?

- Budgets shrinking
- Positions vacated and not replaced, work redistributed
- Unwieldy processes
- No time to make it better, too much to do already
- Stressful work environment
- Not responsive to our customers



Customer Value

Customer Value Added

Any activity that increases the form or function of the service.
(These are things the customer expects or is willing to pay for.)

Non-Value Added

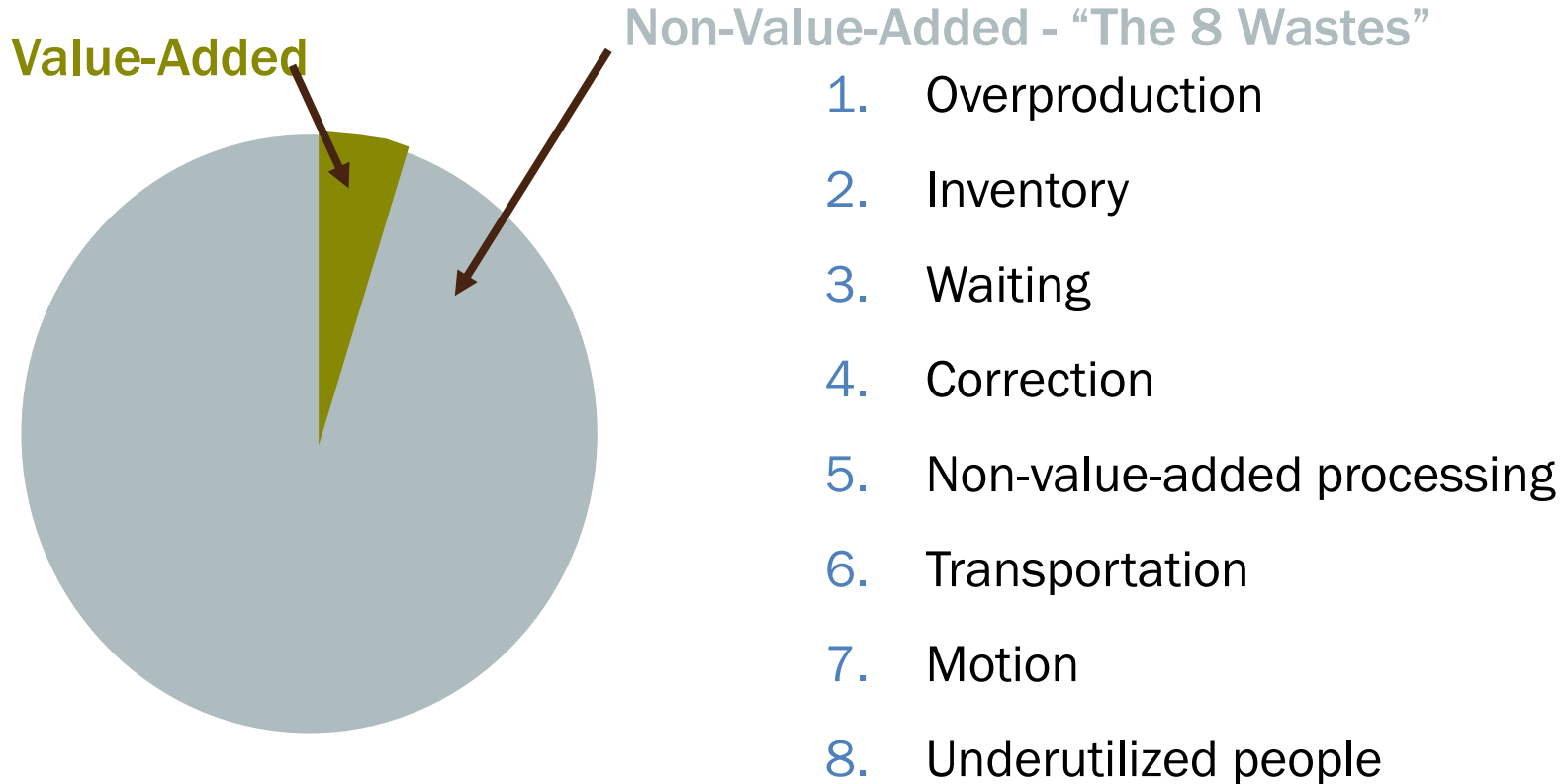
Any activity that does not add form or function or is not necessary. (These activities should be eliminated, simplified, reduced or integrated.)

Non-Value Added, but Necessary

Sometimes work must be performed in order to comply with state or federal regulations or as necessary business activities. (These activities should be simplified, reduced or integrated)



Focus - Eliminating Waste



Typically 95% of all lead time is non-value-added.

Non Value Added or Waste Examples

Overproduction

“Inventory”

Waiting

Correction - Defects

NVA Processing

Transportation

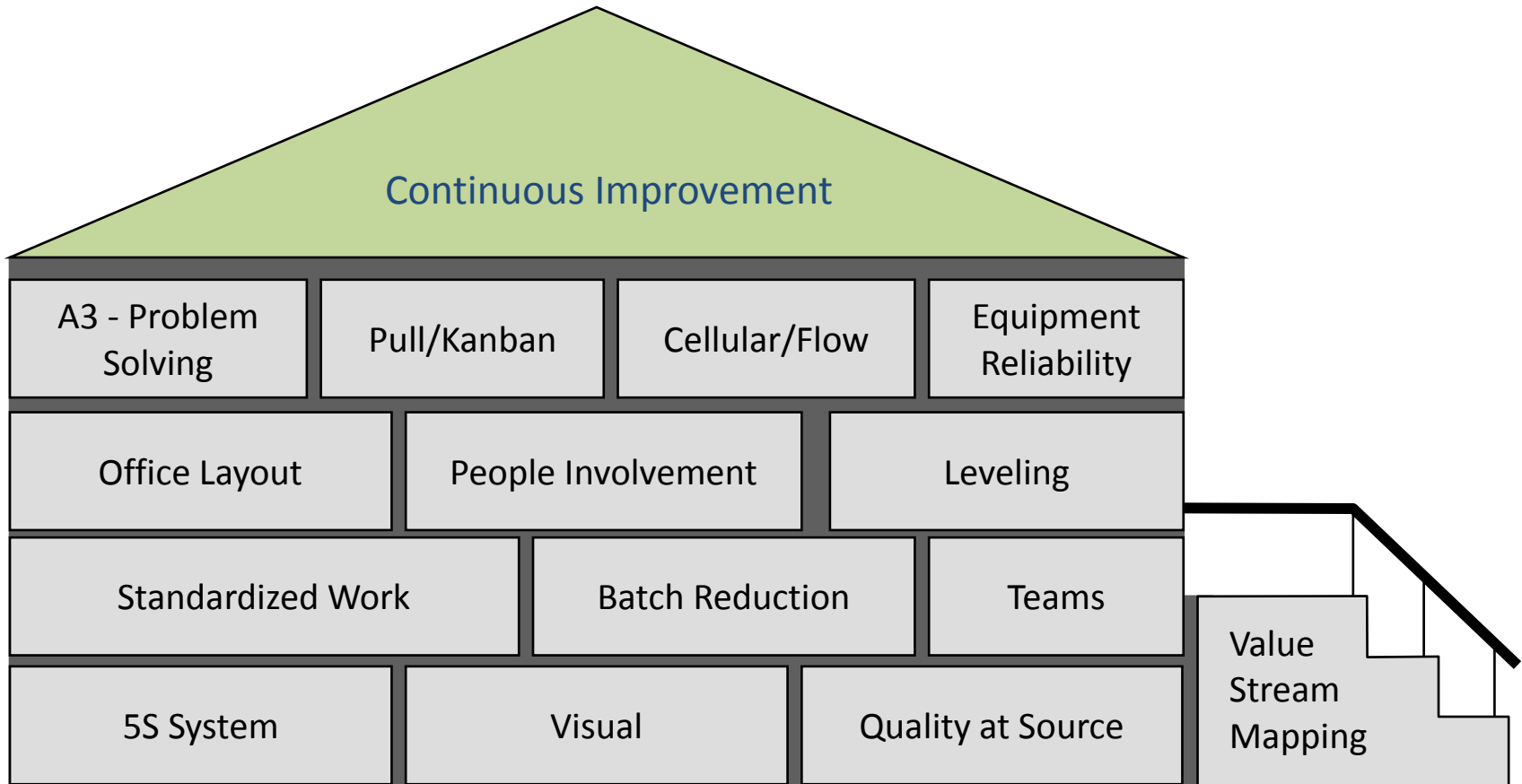
Excess Motion

Underutilized People

- Batching work
- Piles of documents or emails
- Time spent routing for signatures
- Incorrect or lack of information
- Re-entering data in dual systems
- Movement of paperwork, mail route
- Working around a cluttered desk
- Limited functional responsibilities



Lean Building Blocks



Value Stream Mapping

In order to improve something, we must first understand it...

- Determine the process to map and scope of the process
- Map the Current State as it exists today
- Identify the Waste and the opportunities to eliminate it
- Design the Future State by applying the Lean principles and tools
- Develop the Action Plan for transformation and the Metrics to measure success

Value Stream Map Example

County Corporation Counsel Office

June 2010

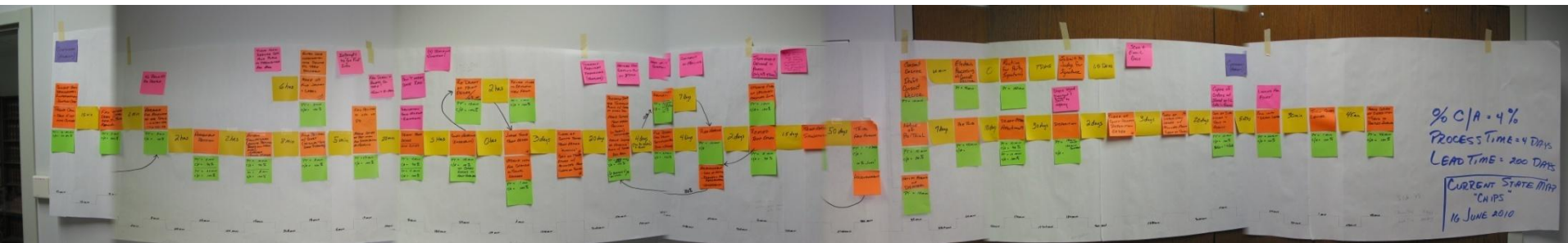
Scope

To examine and redesign the Child in need of Protection or Services (CHIPS) Process from the notification from outside agency to the point of the Dispositional Order being entered



Current State Map

Total process lead time greater than 6 months



This process was amazing! I can't believe this is what I do for my job! It's overwhelming.

Today this process takes less than 6 weeks

Application of Lean Concepts and Tools

- Standardized Work

Written work instructions, checklists, guidelines

- Quality at the Source

Mistake proof the process or forms

- Workplace Organization

5S, organized efficient workplace

- Visual Controls

Color coded files, Kanbans

- People Involvement

Appropriate responsibility and/or authority



Application of Lean Concepts and Tools

- Batch Reduction or Elimination
One document at a time and move it on
- Pull Systems
Signals for when to work on what (priority)
- Cellular/Team Concepts
Linking people physically or electronically
- Equipment Reliability
System's up and enough licenses
- A3 Problem Solving
Determine the root cause and resolve

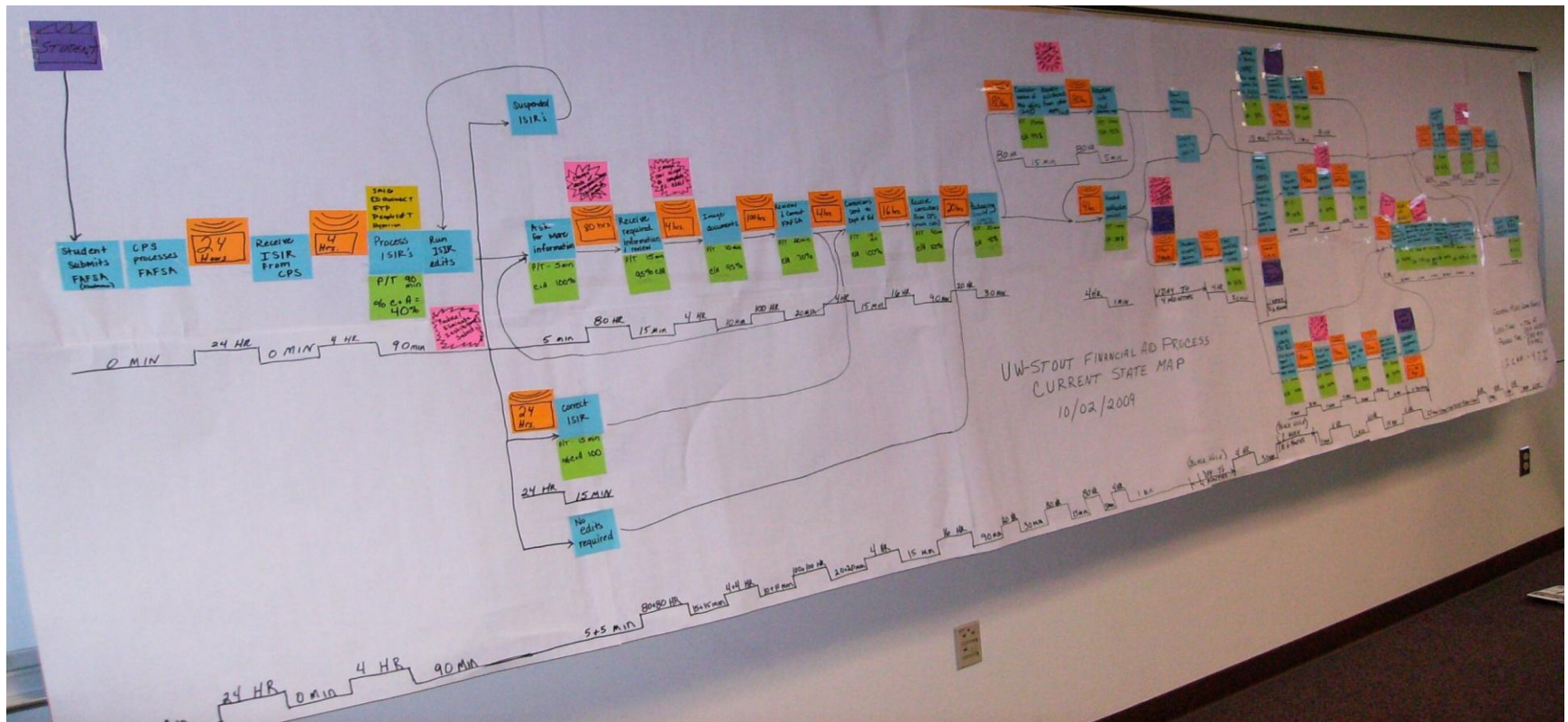


UW System 2008-2011

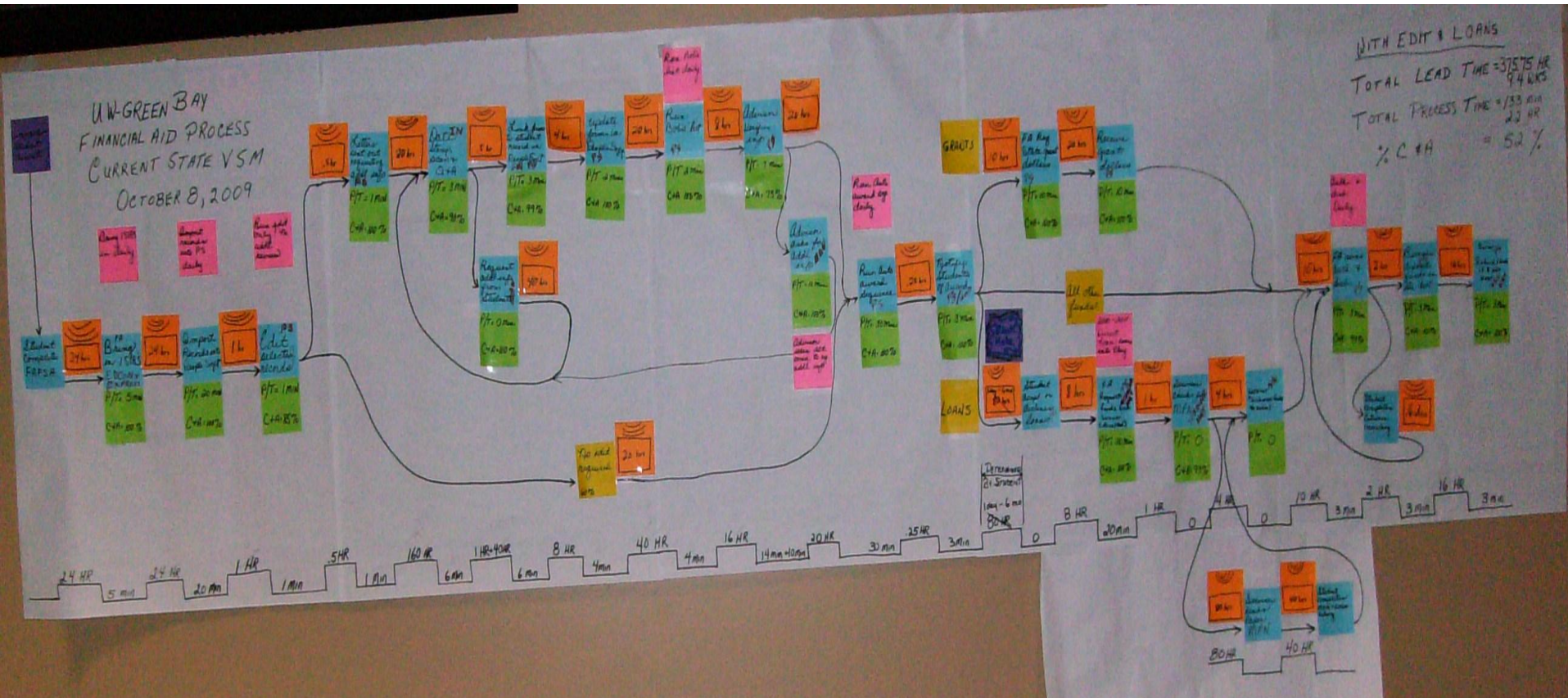
- 2008 Developed a System wide Lean Initiative for the Office of Finance consisting of 3 processes per year with up to five campuses per process
- Over the next three years 42 process improvement events took place in nine different departments across thirteen campuses plus UW Extension and UW Colleges (2 year campuses)
- 358 people trained in Lean
- 223 people engaged in the Value Stream Mapping events
- Evaluations showed a customer satisfaction rating consistently exceeding 4.5 on a 5 point scale



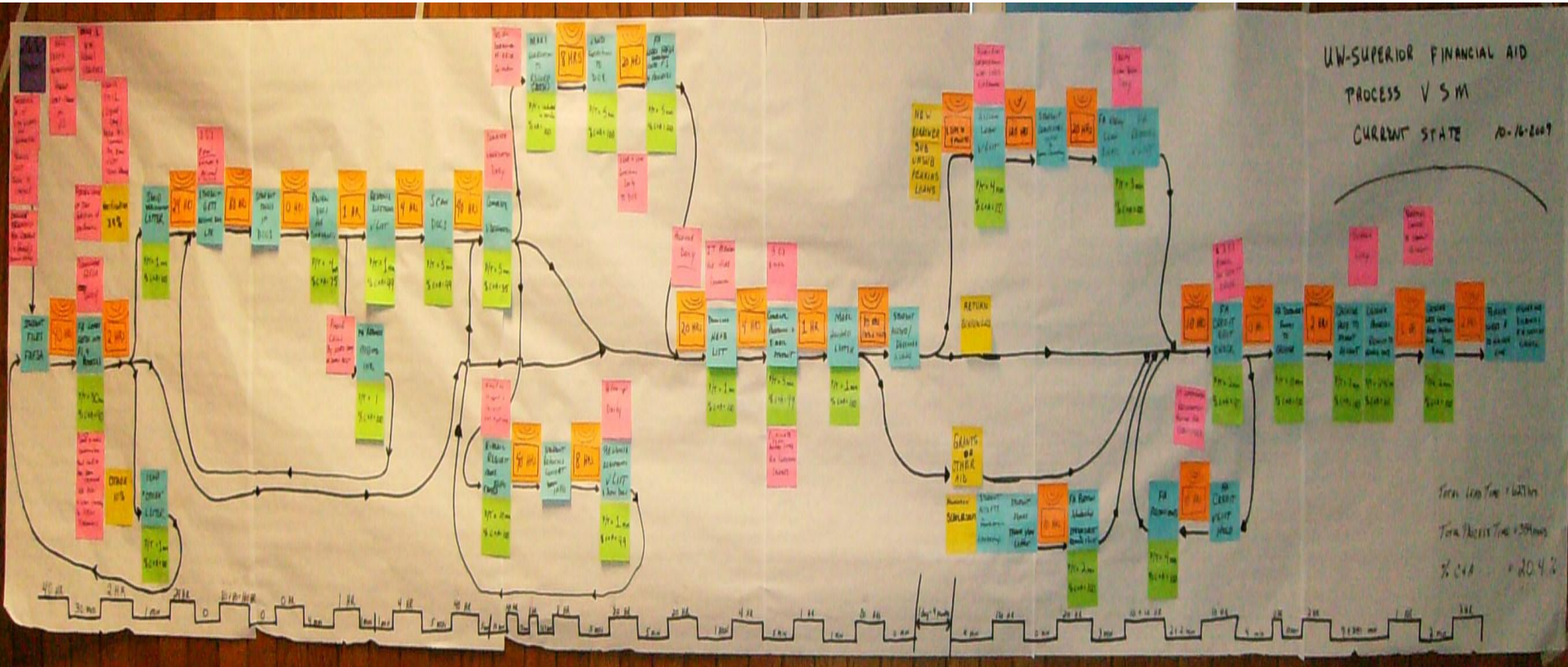
UW-Stout Current State



UW Green Bay Current State



UW Superior Current State



UW Oshkosh Current State



Combined Future State



UW-Stout Metrics

Metric	Current	Future	Net Improvement Opportunity	Achieved Improvement To Date
Lead Time	736 hrs	178 hrs	558 hrs	599.5 hours
Process Time	588 min	38 min	550 min	538 minutes
% Complete and Accurate	4.7%	47%	42.3%	22.3% (Feels more like 40%)

- This was truly a valuable exercise for our office and has paved the way for many needed changes.
- We ended up exceeding our expectations.

UW-Green Bay Metrics

Metric	Current	Future	Net Improvement Opportunity	Achieved Improvement To Date
Lead Time	375.75 hrs	178 hrs	197.5 hrs	86 hours
Process Time	133 min	38 min	95 min	14 minutes
% Complete and Accurate	52%	52%	-	

- The conversion to Direct Lending is where most of the impact was made, they were able to disburse funds in a timely manner.

UW-Superior Metrics

Metric	Current	Future	Net Improvement Opportunity	Achieved Improvement To Date
Lead Time	612 hrs	178 hrs	434 hrs	304 hrs
Process Time	102 min	38 min	64 min	101 min
% Complete and Accurate	20.4%	47 %	26.6%	51.1%

- Less dissatisfied customers with more timely processing of aid.
- Decreased chaos, no lines, responding to email within 24 hrs.

UW-Oshkosh Metrics

Metric	Current	Future	Net Improvement Opportunity	Achieved Improvement To Date
Lead Time	287 hrs	111 hrs	176 hrs	154 hours
Process Time	101 min	91 min	10 min	60 minutes
% Complete and Accurate	10%	47%	37%	97%

- We have noticed and increase in “customer satisfaction”, not that this was not our goal, but the level was unexpected
- It was a good experience, something that our Financial Aid office wanted to do but didn’t take the time to do it

Lean Benefits

- **Reduce lead time by 50% or more**
- **Improve response time to our customers**
- **Take redundancy out of processes**
- **Increase quality of work completed**
- **Understand the proper use of technology**
- **Cross Training and Flexibility**
- **Improved work environment**
- **Regain time to complete value added tasks**
 - **More time available to answer questions and service internal/external customers**



Any Questions?

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